

**PAUL KRUGMAN**

**The Conscience of a Liberal**

Translated into Romanian by Constantin Dumitru-Palcut  
Publica Publishing House, Bucharest, 2010

“The Conscience of a Liberal” is Paul Krugman’s second book translated into Romanian. It is issued by Publica Publishing House, recognized for issuing representative books written by winners of the Nobel Prize for Economy.

With this book, Krugman aims at stirring the present progressive movement, just as “The Conscience of a Conservative”, written by the Republican Senator and candidate for the US Presidency, Barry Goldwater, approached the right-wing movement in mid 60s. Krugman’s liberal is not the European liberal militating for a reduced state’s role. He is the opponent of the active conservatism promoted by the Republican Party, during the last three decades.

The central theme of the book is the economic equality. Krugman begins by describing a long-lasting Gilded Age, which started in 1870 and was shattered by the Great Recession around 1930. He states that this period was a time of “vast inequality in wealth and power, in which a nominally democratic political system failed to represent the economic interests of the majority”. It also describes the dominance of a very wealthy elite over the political life of the United States as well as the way in which the state’s power was used in order to protect the interests of this elite. This period was also characterized by the “uncritical acceptance of the conservative ideology which warned that any attempt to help the less fortunate would entail the economic disaster”.

However, the Great Recession put an end to this age. The reforms of the Democrat President, F.D. Roosevelt, reduced considerably the fortune and power of this elite. By consolidating the trade unions and through increased taxes for the rich, in order to support the development of Social Security and Medicare redistributive programmes, the New Deal reduced the income gap, helped the working class to overcome poverty and led to an economic boom. According to Krugman, the middle class, the engine of the US economy, was not the outcome of free market economy, but was created by the Roosevelt Administration’s reforms.

Even if the Republican President Eisenhower accepted the New Deal policy, there had always been voices inside the Republican Party, arguing these reforms. These new conservatives gradually formed the majority and imposed Barry Goldwater as candidate for the Presidency, to subsequently become members of the leading party, when Ronald Reagan entered upon office. They advocated for economic deregulation and tax decrease. This entailed once again an increased inequality. The income distribution figures in 2005 would almost match those

recorded in 1920, when the richest 10% persons obtained 43.6% of the income, while the richest 1% persons were assigned a percentage of 17.3. In 2005, these rates were 44.3% and 17.4%.

Nevertheless, Krugman believes that this active conservatism has shown its limits during the past few years and the possibility to reduce the inequality once again and to restore a middle-class America, emerges. The last months events seem to support his opinion. The Obama Administration has adopted a legislative package implementing the national health insurance system, which was not possible during the 50s.

Krugman's words stand for conclusion: "... those of us who call ourselves liberals are, in an important sense, conservative, while those who call themselves conservatives are for the most part deeply radical. Liberals want to restore the middle-class society I grew up in; those who call themselves conservative want to take us back to the Gilded Age, undoing a century of history".

Bucharest, 12 February, 2010

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